

# FISCAL NOTE

**Bill #:** HB0386

**Title:** Require DPHHS to pay costs of prosecuting child abuse and neglect cases

**Primary Sponsor:** Stoker, R

**Status:** As Introduced

Sponsor signature	Date	Chuck Swysgood, Budget Director	Date
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## Fiscal Summary

	<b><u>FY 2004 Difference</u></b>	<b><u>FY 2005 Difference</u></b>
<b>Expenditures:</b>		
General Fund	\$3,228,247	\$2,838,043
Federal Special Revenue	\$1,427,601	\$1,332,475
<b>Revenue:</b>		
General Fund	\$0	\$0
<b>Net Impact on General Fund Balance:</b>	<b>(\$3,228,247)</b>	<b>(\$2,838,043)</b>

- |   |  |
|---|--|
| <input checked="" type="checkbox"/> Significant Local Gov. Impact | <input checked="" type="checkbox"/> Technical Concerns           |
| <input type="checkbox"/> Included in the Executive Budget         | <input type="checkbox"/> Significant Long-Term Impacts           |
| <input type="checkbox"/> Dedicated Revenue Form Attached          | <input checked="" type="checkbox"/> Needs to be included in HB 2 |

## Fiscal Analysis

### ASSUMPTIONS:

#### **Department of Public Health and Human Services**

1. This legislation would transfer authority and responsibility for legal actions relating to investigating and prosecuting cases involving child abuse or neglect proceedings in the State of Montana from the county attorney's office around the state to the Department of Public Health and Human Services.
2. The anticipated workload consists of filing petitions, drafting legal documents, conducting research, filing motions, provide legal assistance to social workers, and representing the department in settlement negotiations, judicial hearings, and before the Supreme Court. Some attorneys will be required to serve rural areas that will involve traveling long distances to accomplish and complete assigned cases.
3. This additional workload will require an additional 45.00 FTE (23 attorneys and 10.50 paralegals) to the department at a biennial cost of \$3,978,432. Annual personal service expenses are computed as follows:
  - a. 23.00 attorneys at grade 19 salary and benefits of \$56,979 = \$1,310,517 x two years = \$2,621,034
  - b. 10.50 paralegals at grade 13 salary and benefits of \$34,772 = \$365,106 x two years = \$730,212
  - c. 10.50 administrative support at grade 11 salary and benefits of \$29,866 = \$313,593 x two years = \$627,186
4. Travel is estimated to cost \$3,500 per attorney for an annual cost of \$80,500.

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a.  $23 \text{ attorneys} \times \$3,500 = \$80,500 \times \text{two years} = \$161,000$

5. Operating expenses are estimated to be \$502,754 for the biennium. Operating expenses include rent, communications, computers, printers, office set up, supplies and material.
6. Funding is estimated to be 62 percent general fund and 38 percent federal funds.

### **Department of Justice**

7. This legislation would eliminate county attorney's responsibility/authority to prosecute cases involving child abuse and neglect. The responsibility of prosecuting such cases would be transferred to the Attorney General or the Department of Public Health and Human Services (PHHS).
8. PHHS will continue its memorandum of agreement with the Department of Justice (DOJ) that establishes coordination for provision of legal services to prosecute child abuse and neglect cases identified by PHHS. Funding for the program is 75 percent general fund and 25 percent federal special revenue, based on the assumption that 25 percent of the program costs will be eligible for reimbursement under Title IV-E of the federal Social Security Act.
9. There is no way to accurately estimate the number of child abuse and neglect cases handled throughout the state.
10. The Department of Justice estimates it would need an additional 25.00 FTE attorneys (grade 19), and 5.00 FTE paralegal/support staff (grade 12) in the Child Protective Services Unit at an annual cost of \$1,585,540. ( $25 \times \$56,979 = \$1,424,475$ ) ( $5 \times \$32,213 = \$161,065$ )
11. Operating costs for new employee office packages for 30 employees total \$50,100 ( $\$1,670 \times 30$ ), including computers \$40,530 ( $\$1,351 \times 30$ ), and printers \$11,670 ( $\$389 \times 30$ ).
12. Offices would be established in five cities to provide coverage to all fifty-six counties. These five cities would be Billings, Helena, Great Falls, Kalispell and Missoula. Rent is estimated at \$11/sq ft with each employee receiving space totaling 300 sq ft. Total rent costs per year would be \$99,000 ( $30 \text{ employees} \times 300 \times \$11$ ).
13. Travel costs are estimated at \$17,400 per year ( $30 \text{ employees} \times 10 \text{ days/month per } @ \$23/\text{day} = \$6,900$  and  $\times 10 \text{ nights lodging } @ \$35/\text{night} = \$10,500$ ).
14. Travel around the state would require vehicles, projected at two vehicles for each office or ten vehicles @ \$20,000 each = \$200,000. Maintenance and gasoline would be \$167,000 per year ( $10 \text{ cars} \times 1000 \text{ miles per month} \times 1.35 \text{ per gallon plus } 500 \text{ per year in maintenance costs}$ ).
15. Operating expenses of \$72,000 per year are included for phones, legal fees, maintenance and office supplies ( $\$200 \text{ per month} \times 12 \text{ months} \times 30 \text{ employees}$ ).
16. FY 2004 expenditures would total \$2,243,240 and FY 2005 expenditures would total \$1,940,940. The biennium total would be \$4,184,180.
17. All expenses, except for the vehicles purchased, will be covered under the agreement with PHHS at 75% general fund and 25% federal funds. FY 2004  $\$2,243,240 \text{ minus } 200,000 \times 75\% = \$1,532,430$  plus  $200,000 = \$1,732,430$  general fund \$510,810 federal funds. FY 2005  $\$1,940,940 \times 75\% = \$1,455,705$  general fund \$485,235 federal funds.

### **Judicial Branch**

18. This bill will have no fiscal impact to the Judicial Branch.

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FISCAL IMPACT:

	<u>FY 2004 Difference</u>	<u>FY 2005 Difference</u>
<b>Department of Justice Legal Services</b>		
FTE	30.00	30.00
<u>Expenditures:</u>		
Personal Services	\$1,585,540	\$1,585,540
Operating Expenses	<u>457,700</u>	<u>355,400</u>
TOTAL	\$2,243,240	\$1,940,940
<u>Funding of Expenditures:</u>		
General Fund (01)	\$1,732,430	\$1,455,705
Federal Special Revenue (03)	<u>510,810</u>	<u>485,235</u>
TOTAL	\$2,243,240	\$1,940,940
<b>DPHHS Legal Services</b>		
FTE	45.00	45.00
<u>Expenditures:</u>		
Personal Services	\$1,989,216	\$1,989,216
Operating Expenses	<u>423,392</u>	<u>240,362</u>
TOTAL	\$2,412,608	\$2,229,578
<u>Funding of Expenditures:</u>		
General Fund (01)	\$1,495,817	\$1,382,338
Federal Special Revenue (03)	<u>916,791</u>	<u>847,240</u>
TOTAL	\$2,412,608	\$2,229,578
<u>Revenues:</u>		
Federal Special Revenue (03)	\$1,427,601	\$1,332,475
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>		
General Fund (01)	(\$3,228,247)	(\$2,838,043)
Federal Special Revenue (03)	\$0	\$0

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

This bill would create significant savings to county governments who would no longer be responsible for the costs of investigating and prosecuting cases involving child abuse or neglect.

TECHNICAL NOTES:

DPHHS cannot recruit, hire and train 23 attorneys by the 07/01/2003 effective date of HB 386. The expense will be much more if it is necessary to contract the cases until the attorneys can be hired and trained.

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